

October 2007

Dear Friends,

Serving as your Governor during this unprecedented time has been a tremendous honor. I took office determined to create new opportunities for Louisiana's families and businesses. Thanks to the efforts of a committed workforce and reform-minded individuals across the State, we have made great progress together. This report, while not comprehensive, provides an overview of accomplishments that are shaping Louisiana's future.

As I conclude my time in office, our State leads the largest recovery this nation has ever seen. I am proud to report that in spite of the challenges presented by Hurricanes Katrina and Rita, the largest natural disasters in America's history, we are moving Louisiana forward. Optimism is setting in as our recovery work becomes increasingly apparent on the streets. We have laid the strong foundation needed to support a robust recovery that will continue well into the next decade.

New opportunities for Louisiana's citizens have been created in areas where they never before existed. Nowhere is this more evident than in education and economic development.

Children who once stayed home can now jump start their educations by enrolling in an expanded LA-4 program. Parents concerned about the quality of their children's education can rest assured that test scores, teacher quality, standards, accountability measures, and math and science rankings are on the rise. Students seeking new challenges can benefit from the reforms of high school redesign and the increased resources devoted to education. Teachers struggling to make ends meet now have more competitive pay. Better prepared students seeking higher education and career opportunities have increased access to better funded institutions.

Businesses are expanding and investing in Louisiana because of access to a skilled workforce and more competitive university-based research facilities. Increased research capacity and investments in technology are opening the door to economic diversification. State actions to cut taxes and facilitate permitting are creating a business-friendly environment. Port and roadway infrastructure improvements are paving the way to new business. Aggressive recruitment based on the reforms and improvements we have enacted is positioning Louisiana to compete with any state in the nation for new investment. More than 41,000 new jobs have been created and announced. In short, during this Administration, Louisiana has stepped squarely into the global marketplace as a real competitor, and Louisiana's workers are reaping the benefits.

Real improvements are underway in our communities, too. For the first time, a comprehensive plan is in place for hurricane protection and coastal restoration. The number of children enrolled in Louisiana's Health Insurance Program has expanded by forty percent, and our increased childhood immunization rate is unprecedented. Our juvenile justice system went from one of the worst in the nation to a national model.

The citizens of this State are strong people who get up every day with a new resolve to rebuild, recover and move forward. Louisiana is making great progress, and we are building the bright future that our State deserves.

Sincerely yours,

*Kathleen Babineaux Blanco*

Kathleen Babineaux Blanco  
Governor



#### SELECTED NATIONAL AWARDS AND RECOGNITION

→ **Education Week:**

- ★ Awarded Louisiana a grade of “98” for Accountability standards, ranked first in the nation, up from second in 2005.
- ★ Ranked Louisiana #1 in the nation in efforts to improve teacher quality in 2005 and 2006, up from fifth in 2004.

→ **The Fordham Foundation:**

- ★ Ranked Louisiana 5th in the nation for education reforms.
- ★ Ranked Louisiana 10th in the nation for academic standards, up from 14th in 2000.

→ **The National Institute for Early Childhood Education:**

- ★ Increased Louisiana's ranking to 11th in Pre-Kindergarten funding nationwide, and 13th for access to Pre-K.

→ **The Kaiser Family Foundation:**

- ★ Ranked Louisiana 3rd in the nation in reducing the number of uninsured children.

→ **The American Immunization Registry Association:**

- ★ Awarded Louisiana's immunization registry, LINKS, its highest award for excellent service during Hurricane Katrina.

→ **The International Economic Development Council:**

- ★ Awarded accreditation to Louisiana Economic Development, the only state agency in the country to be accredited and to receive ISO 9000 certification

→ **Governing Magazine:**

- ★ Ranked Louisiana 8th in the nation for responsibility in the operation of state government and handling of taxpayer money

→ **Southern Business and Development:**

- ★ Listed Louisiana 3rd on its list of “Comeback Kids.”
- ★ Awarded Louisiana “State of the Year” in 2006.
- ★ Named Governor Blanco and LED Secretary Olivier among the “Top 10 Who Made a Difference in Economic Development” in 2006 and 2007.

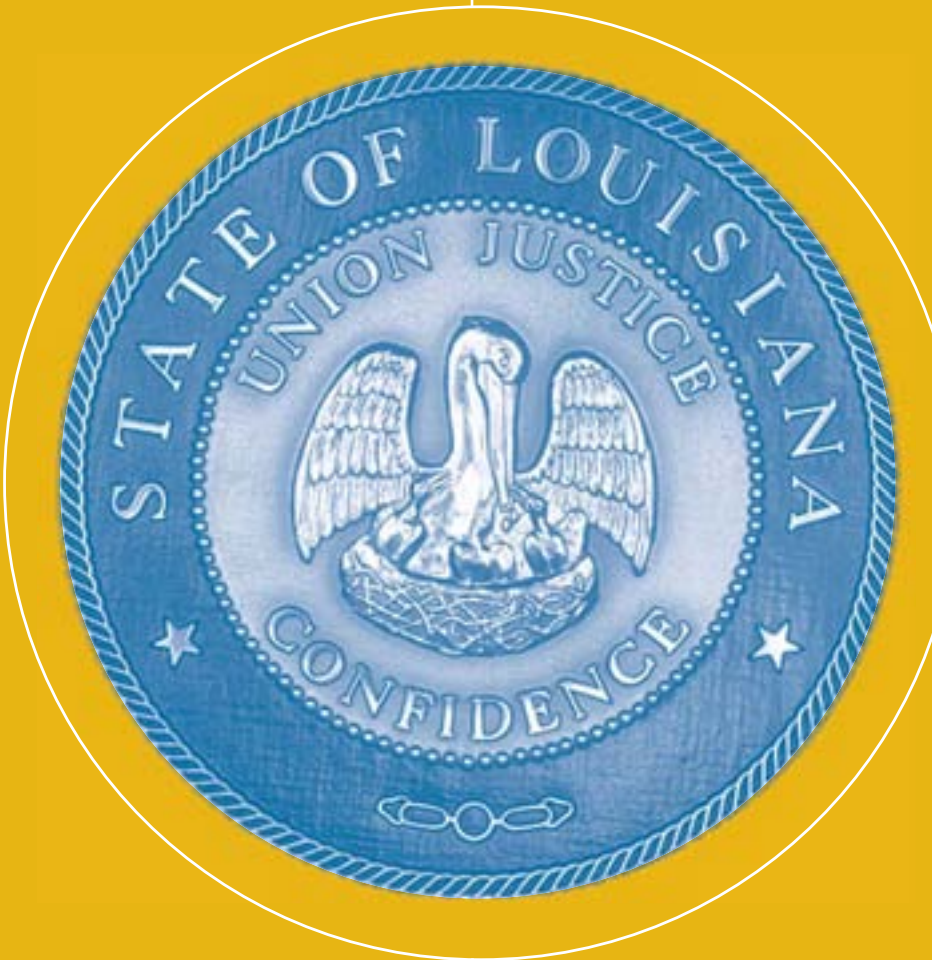
→ **The National Partnership for Highway Quality:**

- ★ Awarded Louisiana its highest award for the state's Hurricane Katrina evacuation plan, which safely evacuated approximately 1.3 million people before the storm.

→ **American Public Laboratory Association:**

- ★ Recognized the Department of Environmental Quality's lab as the “Best Environmental Laboratory in the United States” and national winner of the Gold Standard Award for 2007.

## Louisiana Governor Kathleen Babineaux Blanco



### Progress Report for Louisiana

2004 – 2008



# Progress Report for Louisiana

## EDUCATION

*Governor Blanco put education first, creating new opportunities for Louisiana's children to succeed.*

- ➔ Made history by leading Louisiana's largest increased education investment, committing over \$700 million new dollars in fiscal year 07-08.
- ➔ Directed historic investments in early childhood education, expanding LA-4 to provide a spot for every at-risk four-year-old in the state, ranking Louisiana 11th in the nation for funding and 13th for access.
- ➔ Fought to secure a series of teacher pay raises, lifting Louisiana's educators to the Southern Regional average, while also providing pay increases for school support workers.
- ➔ Provided full formula funding for Louisiana's colleges and universities for the first time in more than a quarter of a century.
- ➔ Initiated High School Redesign, to curb the drop-out rate and better prepare students to compete in a technologically advanced society.
- ➔ Created and secured funding for the state's first substantial college need-based aid program.
- ➔ Strengthened Louisiana's research institutions by directing \$40 million to the development of the Louisiana Optical Network Initiative (LONI), connecting Louisiana's universities, research centers and the Louisiana Immersive Technologies Enterprise (LITE) Center to the supercomputers of the world at light speed.
- ➔ Expanded dual enrollment opportunities for high school students to earn college credit at technical and community colleges, as well as universities.
- ➔ Initiated laptop program to put computers in 6th Grade classrooms across the state.
- ➔ Presided over a record of continued growth for Louisiana's students on high-stakes exams, and enacted reforms resulting in increased teacher quality, standards and accountability, and math and science rankings.
- ➔ Student ACT scores improved from 19.6 in 2003 to a record high of 20.1 in 2006.

## ECONOMIC DEVELOPMENT

*Governor Blanco created new opportunities for increased investment, business expansion, and job growth.*

- ➔ Brought home more than \$18.15 billion in new capital investments.
- ➔ Created 28,000 new jobs, and announced an additional 13,000 jobs to come in the near future, for a total of 41,000 new jobs under her watch.
- ➔ Enacted tax cuts to strengthen Louisiana businesses:
  - Cut the sales tax on manufacturing machinery and equipment to help businesses expand.*
  - Cut the corporate franchise tax on debt.*
  - Cut taxes by making permanent the Investor Tax Credit.*
  - Cut state sales tax on natural gas and utilities.*
- ➔ Led business development missions to New York, Europe, Asia, Central America and the Middle East to increase Louisiana's ability to compete in the global marketplace.
- ➔ Created skilled workforce training programs by joining with public and private organizations to increase opportunities for Louisiana's citizens to land good jobs with quality pay and benefits.
- ➔ Provided full support for the Louisiana Immersive Technologies Enterprise, or LITE Center, which combines state-of-the-art supercomputers with leading-edge 3-D visualization capabilities, to create a world class research and business facility.
- ➔ Diversified Louisiana's economy by expanding our research capacity through LONI, LITE, NASA, Pennington, Cyber Command and other investments targeted to lure technology-based companies.
- ➔ Offered companies tax incentives to partner with colleges and universities for research and development.
- ➔ Created an Economic Development Rapid Response Fund to allow Louisiana to compete for the best jobs and investment.
- ➔ Initiated a \$150 million Economic Development Megafund to allow Louisiana to compete for qualified large-scale projects that create a minimum of 500 net new jobs and capital expenditures of \$1 billion.
- ➔ Recruited new investment and/or expansions from companies including Union Tank Car, Pratt Industries, Renewable Energy Group, General Motors, Marathon Oil, Lockheed Martin, Shintech, Synfuel, and Roy O. Martin Lumber.
- ➔ Initiated more than 100 additional active leads under current consideration worth billions in capital investments and thousands of jobs.

## HEALTH CARE

*Governor Blanco created new opportunities for quality and affordable health care in Louisiana.*

- ➔ Increased by 40 percent the number of Louisiana's children enrolled in the Louisiana Children's Health Insurance Program (LaCHIP) through aggressive outreach.
- ➔ Provided \$300 million to build an LSU/Veterans Administration university research and teaching hospital as the Medical Center of Louisiana - New Orleans. This premier hospital will be an engine for bioscience and medical investment.
- ➔ Prioritized childhood immunizations, resulting in unprecedented improvement in Louisiana's immunization rates, from a national ranking of 49th to 32nd in 2006.
- ➔ Increased access to primary care by expanding the number of community health clinics in Louisiana, opening 20 new federally qualified health center sites, certifying 47 new rural health clinics and investing more than \$50 million in clinic capacity expansion.
- ➔ Advanced Health Care Redesign by providing \$25 million in new funding to establish medical homes for a sustainable, accessible, patient-centered health care system that will improve service delivery, reduce waste and increase cost-effectiveness.
- ➔ Increased funding for physician services by \$98 million - a 107% increase over the previous four years.
- ➔ Funded and implemented health information technology, providing access to the most accurate and up-to-date medical data for more effective and coordinated treatment.
- ➔ Reformed long-term care to best meet the needs of our aging citizens and those with disabilities.
- ➔ More than doubled the number of choices available to elderly and disabled adults, and to those with developmental disabilities, to remain with assistance in their homes.

## CHILDREN AND FAMILIES

*Governor Blanco created new opportunities for Louisiana's families and children to succeed.*

- ➔ Reformed Louisiana's Juvenile Justice System into a national model, shifting the focus from punishment to rehabilitation and separating the juvenile and adult correctional systems.
- ➔ Fought to establish Louisiana's first Earned Income Tax Credit, the first refundable tax credit in the South, designed to help the working poor.
- ➔ Pulled together community leaders, providers and other stakeholders to design and implement the Child Care Quality Rating System to provide incentives and sustain high-quality child care for all children.
- ➔ Enacted school-readiness tax credits, the most progressive and innovative use of tax policy to support high-quality child care in the country.
- ➔ Increased assistance to parents caring for foster children for the first time in 18 years.
- ➔ Created the Solutions to Poverty movement in 2004, shaping policy to fight the causes of poverty in our state.
- ➔ Gave State Employees a general pay raise for the first time in more than 15 years.
- ➔ Raised the pay for state police, corrections, probation and parole officers, and gave local first responders a supplemental pay raise, to aid in recruitment and retention of public safety officers.
- ➔ Leveraged state and federal funds to create more than 24,000 new units of affordable housing since the storms of 2005.

## ENVIRONMENT

*Governor Blanco created new opportunities by striking a successful balance between industry and the environment to protect our State's natural resources.*

- ➔ Ordered companies to monitor air quality and reduce volatile emissions.
- ➔ Set precedent for the Gulf of Mexico by requiring Louisiana's newest planned offshore Liquefied Natural Gas plant to use environmentally safer closed-loop technology.
- ➔ Deployed a Mobile Air Monitoring Lab for aerial and ground application of infrared camera technology to detect leaks of hydrocarbons from tanks, barges and pipelines.
- ➔ Established the Coastal Protection and Restoration Authority as the first ever single state agency with integrated coastal restoration and hurricane protection roles.
- ➔ Guided the development of the Comprehensive Master Plan for a Sustainable Coast to incorporate hurricane protection projects with rebuilding rapidly eroding wetlands, and to chart the course for all future efforts in Louisiana.
- ➔ Fought successfully in court to protect Louisiana's coasts, requiring the federal government to assess potential environmental damage before granting offshore drilling rights.
- ➔ Succeeded in passing a constitutional amendment dedicating any and all Outer Continental Shelf revenues the state would receive exclusively to coastal restoration and hurricane protection.

- ➔ Streamlined environmental permit processing by creating a new expedited permits program, introducing new electronic capabilities and significantly reducing permit backlogs to help businesses.

## INFRASTRUCTURE

*Governor Blanco created new opportunities by improving and building roads, bridges, ports, and other key infrastructure across our state, spurring economic development and providing for the safety of our citizens.*

- ➔ Directed the largest single increased investment in Louisiana's history to our transportation and flood control infrastructure in 2007, investing \$690 million new dollars in highway and port infrastructure improvements.
- ➔ Became the first Governor to dedicate state funds specifically for State roads that receive no federal funding, with an extra \$40 million a year for these roads.
- ➔ Dedicated an additional \$40-50 million a year to roads and bridges by moving non-transportation expenses out of the Transportation Trust Fund. \*
- ➔ Accelerated completion of the TIMED highway program by selling \$1.5 billion in bonds, saving \$24 million in inflationary costs.
- ➔ Began and completed construction on highway and port projects throughout the state, including work on LA-1, Interstate 49, U.S. 171, LA-28 and portions of Interstate 10, just to name a few.

## RESPONSIBLE GOVERNMENT

*Governor Blanco created new opportunities by passing new and extensive ethics reform, and making government more efficient and accountable to the people.*

- ➔ Passed ethics reform legislation prohibiting campaign contributions during Legislative Sessions and the veto period for both Legislators and the Governor.
- ➔ Passed ethics reform legislation requiring for the first time Executive Branch lobbying registration and reporting.
- ➔ Passed ethics reform legislation requiring disclosure of post-Katrina and Rita contracts.
- ➔ Downsized State Government by 2500 positions from the end of the Foster Administration, even after post-storm additions were made to the workforce.
- ➔ Right-sized Orleans Parish government by creating a single tax assessor for the Parish and eliminating the prior system of eight separate tax assessors.
- ➔ Consolidated the judicial system in Orleans Parish by combining the Civil, Criminal and Juvenile Courts into a single District Court.

## RECOVERY FROM HURRICANES KATRINA AND RITA

*Governor Blanco led Louisiana's recovery from the first and third most catastrophic disasters in American history by building a strong foundation for long-term success.*

- ➔ Created evacuation plan for Southeast Louisiana which moved to safety an unprecedented 1.3 million people before Katrina, and moved everyone to safety before Hurricane Rita. Since Rita, the State has also created the first Southwest Louisiana evacuation plan to include contraflow.
- ➔ Commanded National Guard troops from around the nation in the largest domestic response of forces in the history of the United States.
- ➔ Established the Louisiana Recovery Authority to comprehensively oversee the largest recovery effort in U.S. history.
- ➔ Founded the Louisiana Family Recovery Corps to organize and provide services for displaced Louisianans.
- ➔ Started the Louisiana Disaster Recovery Foundation to direct donated dollars towards the recovery.
- ➔ Consolidated levee districts in the New Orleans area, eliminating decades of cronyism by establishing professional boards to oversee levee systems, and pushed for federal levee funding.
- ➔ Took charge of 117 of 128 public schools in New Orleans by creating a State-run Recovery School District to give underperforming schools the support they need to succeed.
- ➔ Brought in nationally recognized education experts and supported non-profits committed to reforming the education system.
- ➔ Providing a continued service of 300 National Guardsmen and 60 State Police Officers to supplement the New Orleans Police Department and crackdown on crime.
- ➔ Committed an unprecedented \$5 billion in State resources to fund recovery needs not met by federal aid.
- ➔ Cut more than \$700 million from the State budget in the aftermath of the storms to meet recovery needs.

- ➔ Utilized money more rapidly than any state faced with a disaster in our nation's history. By the end of this year, Louisiana will have dispersed more than \$10 billion in federal rebuilding funds, including an estimated \$6.25 billion paid directly to Louisiana homeowners.
- ➔ Invested \$200 million in federal recovery dollars for repairs to schools ineligible for FEMA reimbursement.
- ➔ Provided regulatory oversight of the cleanup, recycling, and/or disposal of an unprecedented 60 million cubic yards of storm-generated debris.
- ➔ Adopted a new, strict statewide building code for safer construction, setting aside \$30 million in state and federal funds to help local governments meet this new code, and tying recovery dollars for local parishes to the adoption of FEMA's Advisory Base Flood Elevation.
- ➔ Directed the New Orleans Superdome to be rebuilt in time for the New Orleans Saints to return to Louisiana for a successful 2006 season, thus retaining the NFL franchise.
- ➔ Re-opened the damaged I-10 Twin Span Bridge \$20 million under budget and ahead of schedule.
- ➔ Created and ran "LA Swift," a service to give displaced hurricane evacuees free bus service to and from work between Baton Rouge and New Orleans.
- ➔ Attacked the insurance crisis head-on, implementing steps to provide insurance rate relief for home and business owners while making Louisiana more attractive to insurance companies.
- ➔ Refunded the LA Citizens Insurance Assessment, saving \$1 billion to property owners across the state.
- ➔ Issued nearly \$40 million in gap funding to almost 700 businesses.
- ➔ Launched a \$211 million program to help small businesses recover by offering grants of up to \$20,000 and zero-interest loans.
- ➔ Ensured that GO Zone tax-exempt bonds remain targeted to projects in the areas most affected by the hurricanes to create economic opportunities that will bolster Louisiana's recovery.
- ➔ Funded workforce training programs to provide skilled workers to speed reconstruction.
- ➔ Created the Statewide Interoperable Executive Committee and dedicated over \$20 million in state funding for statewide interoperable solutions to improve communications between local, state, and federal agencies to better coordinate emergency response.
- ➔ Directed investment to critical health care infrastructure, including South Cameron Memorial Hospital and the Medical Center of Louisiana - New Orleans.
- ➔ Fought to bring the Veteran's Administration hospital to downtown New Orleans to anchor the city's biomedical corridor.
- ➔ Lobbied Congress and the White House aggressively for proportionate funding for hurricane recovery so all eligible homeowners will receive aid, securing \$10.4 billion in Community Development Block Grants.
- ➔ Created the Road Home program, the nation's largest housing recovery effort, to allow Louisiana residents to return to safer and stronger homes. By year's end, over 90,000 families will have received award checks, and the Governor is actively seeking \$4 billion more from Washington to complete the program so all eligible homeowners will receive their award.
- ➔ Dedicated \$869 million to rebuild rental properties; set aside \$667 million to pair with more than \$1 billion in housing tax credits to spur new high-quality, affordable rental developments, and secured \$75 million from FEMA for alternative housing for those living in FEMA trailers.
- ➔ Created a Long Term Recovery Program providing affected parishes with \$200 million for locally driven recovery and rebuilding projects. Ensured equitable distribution by basing funding amount on damages.
- ➔ Led the planning for Louisiana Speaks, producing a comprehensive long-term vision for South Louisiana through a democratic process, with more than 27,000 Louisianans expressing their views on recovery and rebuilding. This award-winning plan is the most robust survey of its kind in American history.